

# Competitive Sealed Proposal (CSP) vs. Construction Manager-at-Risk (CMAR)



**PBK**



Competitive Sealed Proposal (CSP)

Construction Manager-at-Risk (CMAR)

**Competitive Sealed Proposal (CSP)**

Construction Manager-at-Risk (CMAR)

# Competitive Sealed Proposal (CSP)

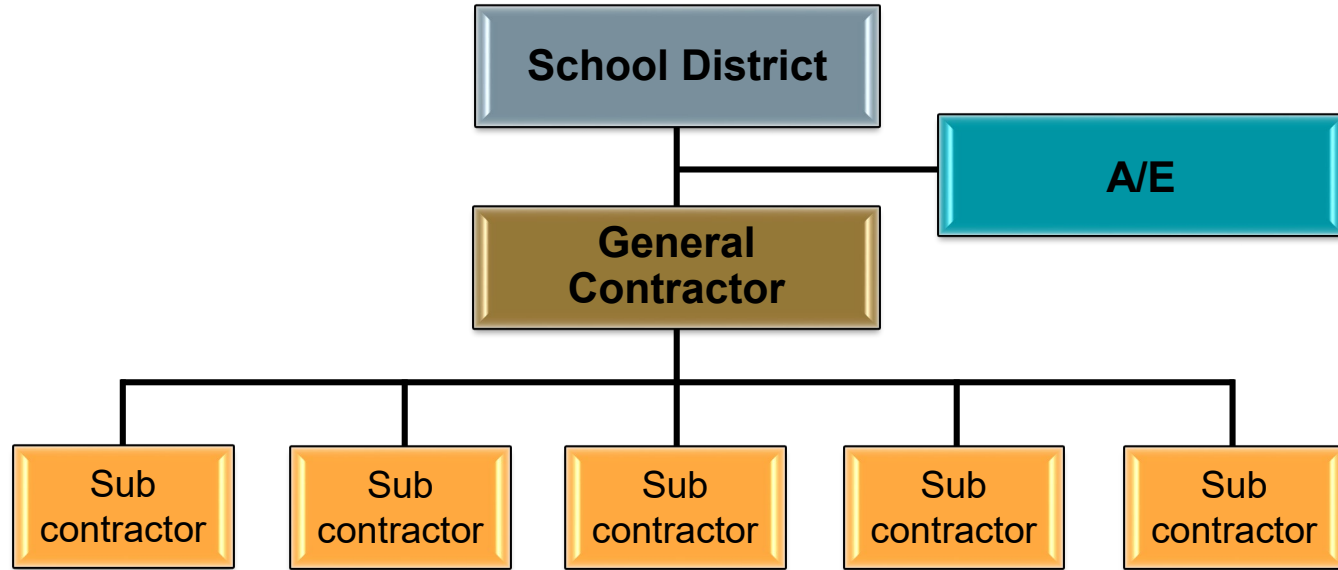
## What is Competitive Sealed Proposal (CSP)

Competitive Sealed Proposal is **one of the 7 delivery methods** the State of Texas allows school districts to use for procurement. It is very similar to the Competitive Bidding method, which was used for years, as the most popular delivery method. The only problem is that you had to select the low bidder, regardless of reputation or past history!

As a result, the 'Competitive Sealed Proposal delivery method' was created.

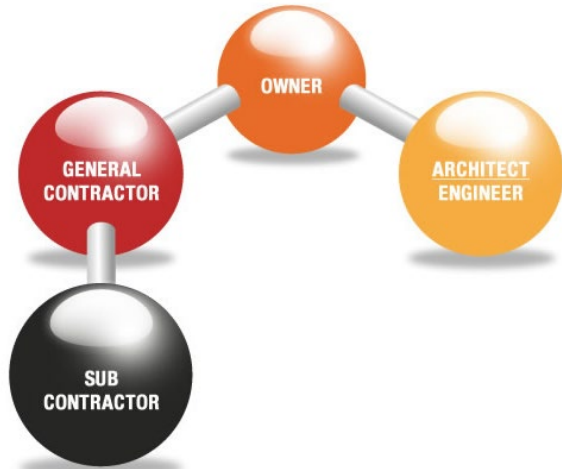
It allows for you to select a general contractor not only on 'price', but also on reputation and quality of work.

# Competitive Sealed Proposal (CSP)



Definition: A delivery method wherein The District selects an Architect, Engineer to design and develop construction documents. Once documents are fully complete, the District solicits sealed proposals. Selection is based on a combination of price and other factors that the District deems provide the best value.

# Competitive Sealed Proposal (CSP)



## Competitive Sealed Proposals

## ***PRO'S & CON'S***

### **PRO'S:**

- You may select contractor based on qualifications
- Allows for negotiations prior to award
- Common delivery method (similar to 'hard bid method')

### **CON'S:**

- Complete drawings & specs needed for competitive bids
- It is a closed book process
- Inability to "fast track" construction schedule
- Not as easy to make changes
- Tends to discourage the team approach

# Project Delivery Method Options

Competitive Sealed Proposal (CSP)

**Construction Manager-at-Risk (CMAR)**

# Construction Manager-at-Risk (CMAR)

## What is Construction Management-at-Risk (CMAR)

Construction Management-at-Risk is a delivery method wherein the Construction Manager at Risk is hired early in the process, becoming a team member during the design of the project.

The CM actively participates during the design phase, evaluating costs, the construction schedule, alternative design options and systems and materials during and after design of the facility.

Selection is based on criteria that combine qualifications, experience, and may involve fee and general conditions

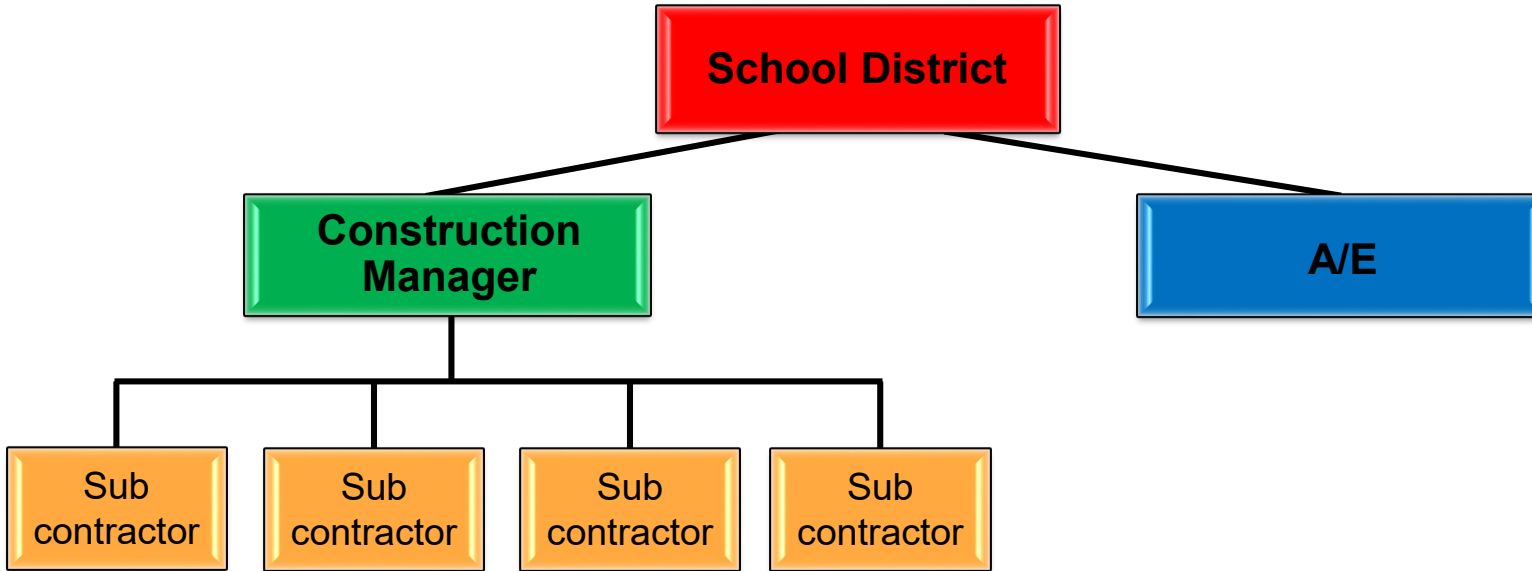
Hire Construction Manager-at-Risk based on qualifications.

CM provides the Guaranteed Maximum Price (GMP).

All Subcontracts are competitively bid by the CM with the Owner/Architect's oversight.

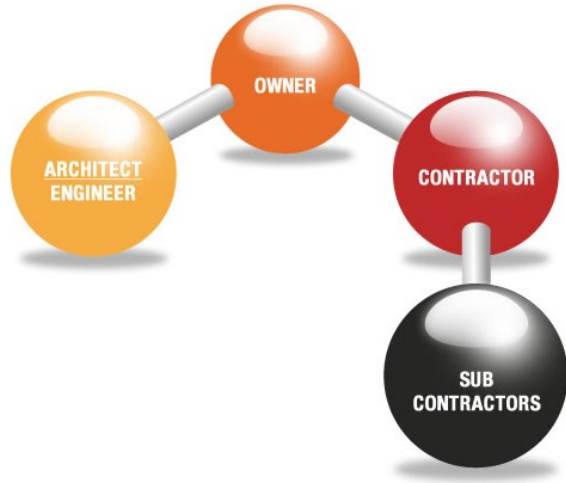


# Construction Manager-at-Risk (CMAR)



Definition: A method where the Construction Manager serves as the general contractor providing pre-construction and construction services. The Construction Manager-at-Risk provides design phase consultation in evaluating costs, schedule, implications of alternative designs, systems and materials during design and serves as a single point of responsibility contracting directly with the subcontractor during construction.

# Construction Manager-at-Risk (CMAR)



## Construction Manager-at-Risk

## ***PRO'S & CON'S***

### **PRO'S:**

- Competitive delivery method
- Allows for negotiations prior to award
- Open book process
- Ability to fast track schedule
- Assists in Design/Constructability/Pricing throughout process
- Easier to make changes during construction
- More of a team approach

### **CON'S:**

- If you do not get a qualified CM@Risk, could be more expensive

***Good process to consider when you are faced with critical scheduling, tight budgets and Phasing issues.***

# Construction Manager-at-Risk (CMAR)

## Why the Construction Management-at-Risk (CMAR) Concept is Used?

CONCEPT	WHY
<p>The selection of a Contractor (CM) based on qualifications, reputation, past performance, etc.</p> <p>The selection of the Contractor (CM) occurs during the initial design phase of the project.</p> <p><b>Phased construction “trade” packages.</b></p> <p><b>Construction buy out savings.</b></p>	<p>The highest quality Contractor (CM) generally leads to a highest quality product.</p> <p>To bring the Contractor (CM) into the design phase early to act as a cost and scheduling advisor to the Owner and Architect.</p> <p>The Contractor (CM) can order long lead materials and shorten the construction schedule.</p> <p>All sub contracts are competitively bid and the construction buy out <b>savings is returned to the Owner</b> for project enhancements.</p>

Thank You